

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Federal-State Joint Board on)	
Universal Service)	CC Docket No. 96-45
)	
Petition by Wisconsin RSA #4 Limited)	
Partnership, Wausau Cellular Telephone)	
Limited Partnership, Nsighttel Wireless,)	
LLC, Brown County MSA Cellular)	
Limited Partnership, and Wisconsin)	
RSA #10 Limited Partnership for)	
Commission Agreement in Redefining)	
the Service Areas of Rural Telephone)	
Companies in the State of Wisconsin)	
Pursuant to 47 C.F.R. Section 54.207(c))	

COMMENTS OF CENTURYTEL, INC.

CenturyTel, Inc., on behalf of its operating subsidiaries¹ (“CenturyTel”), hereby submits the following comments in response to the Federal Communications Commission’s (FCC) Public Notice seeking comment in the above-referenced proceeding.²

I. INTRODUCTION AND BACKGROUND

Wisconsin RSA #4 Limited Partnership, Wausau Cellular Telephone Limited Partnership, Nsighttel Wireless, LLC, Brown County MSA Cellular Limited Partnership, and Wisconsin RSA #10 Limited Partnership (the “Cellcom Companies”) are PCS and

¹ The specific CenturyTel subsidiaries that would be impacted are CenturyTel Holdings, Inc., CenturyTel of the Northwest, Inc., CenturyTel of Northern Wisconsin, LLC, CenturyTel of Central Wisconsin, LLC, and CenturyTel of the Midwest-Wisconsin, LLC.

² *The Wireline Competition Bureau Seeks Comment on Petition to Redefine a Rural Telephone Company Service Area in the State of Wisconsin*, Public Notice in CC Docket No. 96-45, DA 05-3159 (rel. Dec. 8, 2005)(“Public Notice”).

cellular service providers throughout portions of Wisconsin.³ The Cellcom Companies are subsidiaries of Northeast Communications of Wisconsin, Inc. d/b/a Nsight Telservices, a closely held company based in Green Bay, Wisconsin.⁴ The Cellcom Companies petitioned the Wisconsin Public Service Commission (WPSC) for eligible telecommunications carrier (ETC) status for purposes of receiving high-cost support from the federal universal service fund (USF) on November 21, 2002 and were designated as ETCs on September 30, 2003, pursuant to Section 214(e) of the Communications Act of 1934, as amended (the “Act”).⁵ However, the licensed service territory of each of the Cellcom Companies does not correlate with rural incumbent local exchange carrier (ILEC) service areas. Therefore, the WPSC conditioned their ETC status in partially-covered rural ILEC areas on FCC concurrence with the redefinition of those rural ILEC service areas pursuant to the process set forth in Section 54.207(c) of the Commission’s rules.⁶ The WPSC proposed that each partially-covered rural ILEC service area should be redefined in a manner that permits each of the rural ILEC wire centers to constitute a separate service area.⁷ Because of this, the Cellcom Companies filed the subject Petition at the FCC requesting the Commission’s concurrence with the WPSC’s proposal to redefine the service areas of a number of rural ILECs, including CenturyTel of Central Wisconsin, LLC, CenturyTel of the Midwest-WI/Cencom, CenturyTel of the Midwest-WI/Wayside, CenturyTel of the Midwest-WI/Northwest, and CenturyTel of Northern

³ *Petition of Wisconsin RSA #4 Limited Partnership, Wausau Cellular Telephone Limited Partnership, Nsighttel Wireless, LLC, Brown County MSA Cellular Limited Partnership, and Wisconsin RSA #10 Limited Partnership for Agreement with Redefinition of Service Areas of Certain Rural ILECs in the State of Wisconsin*, filed in CC Docket No. 96-45 on November 18, 2005 (“Petition”).

⁴ *Id.* at p. 4.

⁵ *Id.*

⁶ *Id.* at p. 5.

⁷ *Id.* at Summary.

Wisconsin.⁸ On December 8, 2005, the FCC sought comment on the Petition.⁹

CenturyTel files these comments to specifically address the Cellcom Companies' proposal to redefine the CenturyTel service areas at the wire center level.

II. THE FCC SHOULD NOT ALLOW THE WISCONSIN RURAL SERVICE AREAS TO BE CHANGED WITHOUT A WRITTEN COMMISSION DECISION

The Petition filed by the Cellcom Companies is just another in a long list of Petitions filed over the last few years that ask for redefinition of rural service areas in Wisconsin and other states.¹⁰ However, as it has sometimes done in the past, the FCC should not allow the Cellcom Companies' Petition to take effect automatically.¹¹ Instead, as has become the Commission's more recent practice, the Commission should initiate a proceeding to ensure that all possible ramifications of granting the Cellcom Companies' Petition are fully considered, including the financial and consumer impact of redefining the rural service areas.¹² Section 214(e)(5) of the Act requires the Commission to take into account the recommendations of the Federal State Joint Board before the service area for any rural telephone company is changed.¹³ As we will demonstrate on the pages that follow, there are significant questions regarding the merits of the Petition which the

⁸ *Id* at Summary.

⁹ Public Notice.

¹⁰ See *The Wireline Competition Bureau Seeks Comment on Alltel's Petition to Redefine Rural Telephone Company Service Areas in the State of Wisconsin*, Public Notice in CC Docket 96-45, DA 03-3876 (rel. Dec. 4, 2003) ("Alltel Public Notice"); *The Wireline Competition Bureau Seeks Comment on Petition to Redefine Certain Rural Telephone Company Service Areas in Wisconsin and Minnesota*, CC Docket 96-45, DA 04-2063 (rel. Jul. 8, 2004) ("CTC Public Notice").

¹¹ See Application for Review or, Alternatively, Petition for Reconsideration of CenturyTel of Eagle, Inc. filed in CC Docket 96-45 on Dec. 17, 2002.

¹² *The Wireline Competition Bureau Initiates Proceeding to Consider the Petition Filed by the Colorado Public Utilities Commission to Redefine the Service Area of Delta County Tele-comm, Inc. in the State of Colorado*, Public Notice in CC Docket 96-45, DA 02-3588 (rel. Dec. 24, 2002); *The Wireline Competition Bureau Initiates Proceeding to Consider the Alltel Communications, Inc. Petition to Redefine Rural Telephone Company Service Areas in the State of Wisconsin*, Public Notice in CC Docket No. 96-45, DA 04-565 (rel. Feb. 26, 2004).

¹³ 47 U.S.C. § 214(e)(5)

Commission must demonstrate it has fully considered. A written decision would serve as documentation that the FCC has actually and sufficiently considered the Joint Board's recommendations. CenturyTel wholeheartedly agrees with then Commissioner Martin's strongly worded dissent to the *Joint Board Recommended Decision*, which stated:

I would have...preferred that the Joint Board recommend that the Commission require ETCs to provide service throughout the same geographic service area in order to receive universal service support. This obligation would help guard against the potential for creamskimming. I would have supported a recommendation to deny future requests to redefine the service areas of incumbent rural telephone companies—and to deny ETC designations in instances where an ETC's proposed service area does not cover the entire service area of the incumbent service provider.¹⁴

III. THE COMMISSION SHOULD CONSIDER CENTURYTEL'S LEVEL OF DISAGGREGATION, NOT DISREGARD IT

Support to CenturyTel's rural service areas is not currently disaggregated below the study area level. However, significant competition from both wireline and wireless competitors has arisen in each of the Wisconsin service areas sought to be redefined. For example, for 4th quarter 2005, eighteen competitive ETCs in the five study areas that the Cellcom Companies seek to have redefined already receive high cost support totaling \$5.8 million, with the potential for an additional \$832,540 being disbursed either to CETCs that do not currently receive support or to carriers with pending ETC applications.¹⁵ Seven CETCs have already been designated in both the Cencom and Central Wisconsin study areas alone, with six designated in Wayside, five in Wisconsin/Northwest, and four in the Northern Wisconsin study areas of CenturyTel, for

¹⁴ *Joint Board Recommended Decision*, Separate Statement of Commissioner Kevin Martin, at 2.

¹⁵ See <http://www.universalservice.org/about/governance/fcc-filings/2005/quarter4/default.aspx> at reports HC01, HC03 and HC18.

a total of 29 CETCs in the five CenturyTel study areas sought to be redefined.¹⁶ Further, these markets are not large metropolitan areas, but rather are rural and have low customer densities. If the FCC grants the Cellcom Companies request to redefine the rural service areas down to the wire center level, the support to the petitioning companies would be calculated based on CenturyTel's average per-line cost for its entire study area – not based on costs at the individual wire center levels. Such a result would fail to ensure that support is properly aligned with costs and could inure an unfair competitive advantage to the Cellcom Companies. Therefore, the Commission should either deny the Petition or, as mentioned previously, should initiate a proceeding to further evaluate the appropriateness of a service area redefinition in light of the current level of disaggregation. In addition, CenturyTel respectfully requests the Commission to allow CenturyTel to propose disaggregation if the Commission chooses to grant the Petition, especially given that the competitive landscape has dramatically changed.

IV. THE CELLCOM COMPANIES SHOULD BE REQUIRED TO SERVE THE ENTIRE TERRITORY OF THE RURAL ILECS THROUGH A COMBINATION OF FACILITIES AND RESALE

According to the Cellcom Companies' Petition, the WPSC conditioned their ETC status in the rural ILEC areas that are only partially covered by the licensed areas of individual companies on FCC concurrence with the redefinition of those rural ILEC service areas pursuant to the process established under Section 54.207(c) of the Act.¹⁷ The WPSC did not require the Cellcom Companies to serve the entire territory of the rural ILEC study areas. However, under Section 214(e)(5) and 47 C.F.R. § 54.201(d)(1), ETCs are required to serve the ILEC's entire study area either using their own facilities

¹⁶ *Id*

¹⁷ Petition at p. 5.

or a combination of their own facilities and resale of another carrier's services, unless the state and the FCC affirmatively find it would serve the public interest to forego this requirement.¹⁸

It would not serve the public interest to forego this requirement in the instant case and the WPSC has failed to fulfill their obligation under the Act and FCC rules. First, the Cellcom Companies do not assert in their Petition that they are new service providers in CenturyTel's study areas. Indeed, the Cellcom Companies have been operating profitably in the markets for significant periods of time without universal service support. Second, competitive choice will not be truly realized by *all* consumers not now served by the Cellcom Companies because the WPSC's Order does not require the Cellcom Companies to provide service throughout the rural ILEC study areas.

The lack of facilities does not preclude CETCs from serving the ILEC's entire study area. In accordance with Section 214(e), the Cellcom Companies can and should be required to expand their coverage to serve the entire study areas of the rural ILECs through some combination of their own facilities and resale of another carrier's services.

V. THE CELLCOM COMPANIES SHOULD BE REQUIRED TO COMPLY WITH STATE REQUIREMENTS REGARDLESS OF WHETHER THEY SEEK STATE UNIVERSAL SERVICE SUPPORT

In the ETC Orders for the Cellcom Companies, the WPSC found the companies did not have to comply with state requirements for and obligations of ETC status because the companies were not seeking state universal service support and that, if they did seek state USF funds, all state requirements and obligations would be applicable.¹⁹ So as not to inure an unfair competitive advantage on CETCs, CenturyTel believes a CETC should

¹⁸ 47 U.S.C. § 214(e)(5); 47 C.F.R. § 54.201(d)(1).

¹⁹ Copies of the orders are attached to the aforementioned "Petition" as Exhibits B-G. See Findings of Fact.

be required to comply with the same state requirements and obligations as the carrier-of-last-resort or ILEC serving that particular area sought by the CETC. Accordingly, CETCs such as the Cellcom Companies should not be subject to different rules from ILECs regardless of whether the CETCs seek to apply for state universal service support.

VI. CONCLUSION

For all the foregoing reasons, CenturyTel opposes the Petition filed by the Cellcom Companies to redefine the CenturyTel service areas at the wire center level. CenturyTel believes the public interest would be better served in this case by having the FCC follow the mandate in the Act which requires ETCs to serve the entire territory of the ILEC through a combination of its own facilities and resale of another carrier's services. Also, careful consideration of the level of disaggregation of USF support applied to the study areas will help ensure universal service support is properly aligned with costs and decrease pressure on already scarce federal USF monies. At the very least, the FCC should issue a written Commission decision instead of allowing the Petition to take effect automatically.

Respectfully submitted,

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December 21, 2005

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Comments was sent by 1st Class mail, this 21st day of December 2005, to:

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